

Under the Cigarette Tax Act, it is unlawful for any person to engage in the business as a distributor of cigarettes in this State without first having obtained a license or permit from the Department. Except when the applicant is the manufacturer, no distributor's license shall be issued to an applicant unless he presents the Department with satisfactory proof in writing that he will be able to buy cigarettes directly from at least 3 major cigarette manufacturers. See 86 Ill. Adm. Code 440.50. (This is a GIL).

July 21, 1999

Dear Ms. Xxxxx:

This letter is in response to your letter dated April 12, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

I represent a corporation that wishes to import cigarettes from COUNTRY. The corporation is in the process of obtaining a Cigarette Distributor License. However, we have been informed that we need three (3) letters from three (3) major manufacturers doing business in the United States. We have already furnished the Department with three letters from major manufacturers in COUNTRY.

The information I have gathered regarding the regulation in this matter only requires three (3) letters from three (3) major manufacturers. No one has supplied me with any documentation that requires the major manufacturers to be doing business in the United States. Please review this situation and let me know the position of the Department and provide me with documentation for the Department's position.

If you agree with me, please have the Department issue my client Cigarette Distributor Licenses, as my client has already filed all the appropriate documents.

If you have any questions, please do not hesitate to contact me.

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440.50(a). There is no requirement that the 3 major cigarette manufacturers do business in the United States. Upon written satisfactory proof from such major cigarette manufacturers, along with a complete application, fee and bond in proper form, the Department will issue such distributor's license.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Gina Roccaforte  
Associate Counsel

GR:msk  
Enc.